

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF J.P. REBERGER) APPEAL NO. 07-A-2636
from the decision of the Board of Equalization of Valley) FINAL DECISION AND
County for the tax year 2007.) ORDER

PROPERTY APPEAL

NOTICE OF APPEAL was filed September 12, 2007, by Appellant, from a decision of the Valley County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RPM0220003002BA. As a matter of convenience, Appellant requested that this appeal be heard on the written record created by the parties, without appearance at a hearing. This Board subsequently requested all information and evidence to be considered, be submitted by both parties. The Board now issues its decision based upon the documentary record.

The issue on appeal is the market value of a residential property.

The decision of the Valley Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$169,410, and the improvements' value is \$551,650, totaling \$721,060. Appellant requests the land value be reduced to \$125,000, and the improvements' value be reduced to \$475,000, totaling \$600,000.

The subject property is 0.385 acres improved with a 2,340 square foot residence, built in 1976. Subject was extensively remodeled in 2005 and is considered in good condition. It is located in the River Subdivision in McCall, Idaho.

Appellant stated the assessed market value of subject was erroneous. It was asserted there had been a 338% increase in the assessed value from tax year 2006 to 2007. Taxpayer contested housing prices were no longer escalating and property values had significantly

decreased. An advertisement from a local realtor was submitted, along with a McCall newspaper clipping, both of which indicated property values were decreasing and asking sale prices were being reduced. Appellant stated recent sale prices were substantially below the assessed values determined by the county. The assessed values do not reflect that market values have dropped drastically.

Appellant presented one comparable property to compare with subject. Taxpayer stated the property had been remodeled and updated prior to its last sale for \$425,000. The sale date was unclear in the record.

The Assessor maintained the assessment of subject property was fair. Subject fell into a category that was mandated by the State to be trended upward by 20%. This increase was due to the fact the State Tax Commission found the county had valued certain classes of property below market value.

The County submitted five sale properties to support the assessed value of subject. Sale prices on the properties ranged from \$399,000 to \$635,000. The comparison of assessed values to the sale prices indicated an assessment level or ratio of 100%.

The Assessor discussed the sale property submitted by Appellant and stated it was not comparable because it involved a fair class home built in 1970. It was in good condition with no record of a remodel. Furthermore, the advertisement and newspaper clippings submitted by Appellant were not valid evidence because asking prices do not determine market value.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in

support of their respective positions, hereby enters the following conclusions.

Idaho Code provides “all property within the jurisdiction of this state, not expressly exempted, is subject to appraisal, assessment and property taxation.” I.C. § 63-203 (2007).

Idaho Code further directs that “rules promulgated by the State Tax Commission shall require each assessor to find market value for assessment purposes of all property.” I.C. § 63-208(1).

For taxation purposes, Idaho requires that property be valued at “market value”:

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment. Idaho Code § 63-201(10)

Appellant contested subject’s large value increase in one year. Idaho statutes do not limit the possible annual increase or decrease in assessed value each year. The law requires property be assessed at current market value annually. Idaho Code § 63-205(1).

Appellant’s case was based around dropping sale prices and current listings. The sale presented by Appellant was noted by the County as not comparable because it was not the same class as subject.

The County’s valuation was arrived at through mass appraisal practices. Sales were presented in support of the 2006 trend applied in subject’s area. Ratio studies illustrated compliance with Idaho’s market value standard and the required valuation program. Idaho Code §63-314.

A property valuation for taxation purposes, as determined by an assessor, is presumed correct and the taxpayer has the burden of proof to show, by a preponderance of the evidence, an entitlement to relief. Merris v. Ada County, 100 Idaho 59, 64, 593 P.2d 394, 399 (1979).

No error in the assessed value of subject has been demonstrated by Appellant. The subject value increased significantly, however the increase was based on recent a sales. Therefore, we will affirm the decision of the Valley County Board of Equalization.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED April 30, 2008